LE COP

72-52

No.

Supreme Court, U. S.
FILED
JUL 8 1972
MICHAEL RODAK, JR., CLERK

In the

Supreme Court of the United States

OCTOBER TERM, 1971

SKIL CORPORATION,

Petitioner,

vs.

LUCERNE PRODUCTS, INC.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

CLARENCE J. FLEMING
135 South LaSalle Street
Chicago, Illinois 60603
Tel.: (312) 346-0338
Attorney for Petitioner

Of Counsel:

MARC L. SWARTZBAUGH
1750 Union Commerce Building
Cleveland, Ohio 44115
Tel: (216) 696-3939

CHARLES M. CARTER
5033 North Elston Avenue
Chicago, Illinois 60630
Tel.: (312) 286-2000

The Scheffer Press, Inc.—(312) 263-6850

TABLE OF CONTENTS

	PAGE
OPINIONS BELOW	1
JURISDICTION	2
QUESTIONS PRESENTED	2
STATUTES AND RULES INVOLVED	3
STATEMENT OF THE CASE	4
Introduction	4
The Cleveland Action	4
The Chicago Action	5
Proceedings Relating to Priority between the Cleveland and Chicago Actions	7
REASONS FOR GRANTING THE WRIT	10
I. This Court Should Make It Clear That Needless Duplicative Patent Litigation Is to Be Avoided as a Matter of Federal Patent Policy..	10
II. This Court's Power of Supervision Should Be Exercised—the Sixth Circuit Has Sanctioned a Course of Judicial Procedure in Conflict with Decisions in Other Circuits	11
III. This Court Should Settle the Question as to the Extent a Contributory Infringer Is Liable for Damages	13
CONCLUSION	15

INDEX TO APPENDIX

PAGE

Court of Appeals Order 1a

Court of Appeals Order Denying Petition for Rehearing 3a

District Court Opinion 4a

Transcript of Proceedings before the Honorable Julius J. Hoffman on February 29, 1972 ..... 6a

Gawron Patent in Suit No. 3,209,228 ..... 12a

TABLE OF AUTHORITIES

Cases

American Chemical Paint Co. v. Thomson Chemical Corp., 244 F.2d 64 (C.A. 9, 1957) 11, 12

Aro Mfg. Co. v. Convertible Top Replacement Co., 365 U.S. 336 (1961) 13

Aro Mfg. Co. v. Convertible Top Replacement Co., 377 U.S. 476 (1964) 3, 13

Blonder-Tongue v. University of Illinois Foundation, 402 U.S. 313 (1971) 2, 10

Kerotest Mfg. Co. v. C-O-Two Fire Equipment Co., 342 U.S. 180 (1952) 2, 10

Minnesota Mining & Mfg. Co. v. Polychrome Corp., 267 F.2d 772 (C.A. 7, 1959) 12

Triangle Conduit & Cable Co. v. National Electric Products Corp., 138 F.2d 46 (C.A. 3, 1943), cert. denied 320 U.S. 784 ..... 11, 12

United States Time Corp. v. Hamilton Watch Co., 327 F.2d 338 (C.A. 2, 1964) 12

PAGE

STATUTES

U. S. Code, Title 28, §1332 5
U. S. Code, Title 28, §1404(a) 9
U. S. Code, Title 28, §1254(1) 2
U. S. Code, Title 28, §2101(c) 2
U. S. Code, Title 35, §271(c) 3, 13, 14
U. S. Code, Title 35, §284 .....3, 13, 14
Supreme Court Rules, Rule 19(1)(b) 3

IN THE

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1971

No.

SKIL CORPORATION,

Petitioner,

vs.

LUCERNE PRODUCTS, INC.,

Respondent.

PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SIXTH CIRCUIT

Petitioner respectfully prays that a writ of certiorari issue to review the order of the United States Court of Appeals for the Sixth Circuit in its cause numbered 72-1282, entered on April 24, 1972.

OPINIONS BELOW

The order of the Sixth Circuit Court of Appeals in this cause is set forth in the appendix to this petition, commencing at page 1a; it has not been officially reported.

The order of the District Court for the Northern District of Ohio, Eastern Division, is set forth in the appendix to this petition, commencing at page 4a; it has not been officially reported.

JURISDICTION

The order sought to be reviewed was dated and entered on April 24, 1972.

Petitioner filed a timely petition for rehearing, which petition was denied by an order dated June 6, 1972.

The United States Code, Title 28, §§1254(1), 2101(e), confers on this Court jurisdiction to review by writ of certiorari the order in question.

QUESTIONS PRESENTED

1. Is it consistent with the policy objectives concerning the avoidance of multiple patent litigation as set forth by this Court in *Kerotest Mfg. Co.* v. *C-O-Two Fire Equipment Co.*, 342 U.S. 180 (1952), and *Blonder-Tongue* v. *University of Illinois Foundation*, 402 U.S. 313 (1971), for a district court to enjoin the prosecution of a patent infringement action in another district court when viable issues will remain to be tried in the enjoined action irrespective of the outcome of the proceedings in the enjoining court, and when only in the enjoined action can a judgment be entered deciding all issues and binding all parties?

2. Did not the Sixth Circuit Court of Appeals in this case render a decision in conflict with the decisions of other Courts of Appeals and sanction a departure from the accepted and usual course of judicial proceedings by affirming the action of the district court in enjoining petitioner's patent infringement action in another district court against the manufacturers (the direct infringers of the combination patent) and the supplier of a component of the patented combination (the contributory infringer of the patent) in favor of a suit against only that supplier, particularly when no showing has been made that the contributory in-

fringer is financially responsible or is the sole supplier of the components to the manufacturers?

3. In the light of this Court's views in *Aro Mfg. Co. v. Convertible Top Replacement Co.*, 377 U.S. 476 (1964), on the issue of damages recoverable against a contributory infringer, should a patentee's suit against the manufacturers (the direct infringers) and the supplier of a component of the patented combination (the contributory infringer) be enjoined in favor of a different suit against only that supplier, thereby requiring the patentee, at least in the first instance, to look only to the contributory infringer for compensation for the infringement?

STATUTES AND RULES INVOLVED

1. *The Patent Act, 35 U. S. Code, Section 271(c)*:

"Whoever sells a component of a patented machine, manufacture, combination or composition, or a material or apparatus for use in practicing a patented process, constituting a material part of the invention, knowing the same to be especially made or especially adapted for use in an infringement of such patent, and not a staple article or commodity of commerce suitable for substantial noninfringing use, shall be liable as a contributory infringer."

2. *The Patent Act, 35 U.S. Code, Section 284:*

"Upon finding for the claimant the court shall award the claimant damages adequate to compensate for the infringement but in no event less than a reasonable royalty for the use made of the invention by the infringer, together with interest and costs as fixed by the court. * * *"

3. *Supreme Court Rules, Rule 19(1) (b)*:

"Where a court of appeals has rendered a decision in conflict with the decision of another court of appeals

on the same matter; • • • or has decided an important question of federal law which has not been, but should be, settled by this court; or has decided a federal question in a way in conflict with applicable decisions of this court; or has so far departed from the accepted and usual course of judicial proceedings, or so far sanctioned such a departure by a lower court, as to call for an exercise of this court's power of supervision."

STATEMENT OF THE CASE

Introduction

This litigation involves patent suits concurrently pending in the United States District Court for the Northern District of Ohio, Eastern Division, C69-461 (the Cleveland action), before the Honorable Thomas D. Lambros, and in the United States District Court for the Northern District of Illinois, Eastern Division, 70 C 2858 (the Chicago action), before the Honorable Julius J. Hoffman. The decision sought to be reviewed by this petition affirms a February 29 order of Judge Lambros enjoining the prosecution of the Chicago action.

The Cleveland Action

This case was originally instituted in Chicago when petitioner, Skil Corporation (Skil), filed its complaint (AL 3)[1] on July 11, 1968 in the United States District Court for the Northern District of Illinois, Eastern Division, 68 C 1290, against respondent, Lucerne Products, Inc.

[1] References to the respondent's appendix in the Court of Appeals are in the form "(AL)" followed by the number of the particular document in the appendix, *e.g.*, "(AL 3)"; references to the petitioner's appendix are in the form "(AS 7)". In some instances these references are followed by a page number of a document, *e.g.*, "(AS 7, page 5)".

(Lucerne). Jurisdiction was based on 28 U.S.C. §1332. In Counts I and II of the complaint, petitioner seeks to recover royalties from respondent pursuant to the terms of a license under petitioner's Gawron patent 3,209,228 (the Gawron patent). A trigger operated speed control system for a portable tool, such as an electric drill, forms the claimed subject matter of the Gawron patent.[2] The devices manufactured by respondent and alleged to be royalty bearing under the aforementioned license are trigger operated switch units embodying a material part of the invention of the Gawron patent and especially adapted for mounting in portable electric drills to control the speed of the tool motor. It is petitioner's contention that portable electric drills containing the respondent's switch units are covered by the Gawron patent.

The respondent filed an answer and counterclaim charging the petitioner with infringement of certain patents. Because these counterclaim patents were also involved in actions pending in Cleveland, the 68 C 1290 case was transferred to the United States District Court for the Northern District of Ohio, Eastern Division, by an order dated June 6, 1969. After transfer, the cause was designated C69-461. A trial date has not been set for the Cleveland action.

The Chicago Action

On November 16, 1970, petitioner filed a complaint (AL 6) in the United States District Court for the Northern District of Illinois, Eastern Division, charging Rockwell

---

[2] The Gawron patent has been held valid by the Seventh Circuit Court of Appeals in *Skil Corporation* v. *Cutler-Hammer, Inc.*, 412 F.2d 821 (1969), reversing a decision by Judge Hoffman; a copy of this patent is included in the appendix to the petition, commencing at page 12a.

Manufacturing Company (Rockwell) and Wen Products, Inc. (Wen) with infringement of the Gawron patent. This suit, designated 70 C 2858, has been assigned to Judge Hoffman. The products charged with infringing the Gawron patent are portable electric drills manufactured both by Rockwell and Wen.

Before filing of an answer either by Rockwell or Wen, the respondent moved to intervene (AL 7) alleging, *inter alia*, that it manufactured the trigger operated switch devices incorporated within the accused Rockwell and Wen drills and that it has agreed with these two defendants to indemnify them against charges of infringement under the Gawron patent. Prior to this intervention motion by respondent, the petitioner canceled the license to respondent under the Gawron patent; therefore, at the time of this intervention, the respondent was a contributory infringer and no longer a licensee.

The motion to intervene was allowed by agreement of the parties. The petitioner then moved before Judge Hoffman for leave to file an amended complaint (AL 9). Count I of the amended complaint repeated the direct infringement charges against Rockwell and Wen and included allegations of contributory infringement against the intervening defendant, the respondent herein. Counts II and III of this amended complaint are for royalties due during the term of the license under the Gawron patent —these two counts are substantially identical with Counts I and II in the Cleveland action. Over objection by the respondent, Judge Hoffman allowed the filing of the amended complaint, pointing out, *inter alia*, that "it serves the function of consolidating litigation between the parties in a single forum" (AS 7, page 5).

The respondent then moved to dismiss the amended complaint in its entirety, grounding its motion on the pendency of the Gawron patent license issues in the Cleveland action. Judge Hoffman denied this motion, finding that the issues between the Cleveland action and the Chicago action are not the same. (AS 7, page 5).

Proceedings Relating to Priority between the Cleveland and Chicago Actions

The petitioner, on November 8, 1971, brought a motion in the Cleveland action seeking to stay Counts I and II of the complaint therein in view of the pendency of corresponding Counts II and III in the Chicago action (AS 1). The respondent filed a memorandum (AS 4) in opposition to this motion on November 23, 1971 and simultaneously brought a motion (AS 5) in the Cleveland action for a temporary restraining order without notice and for a preliminary injunction. By this motion, the respondent sought, *inter alia,* an order enjoining the petitioner from proceeeding in the Chicago action. While the respondent's motion for a preliminary injunction was still under advisement by Judge Lambros, it filed a motion before Judge Hoffman on January 26, 1972 seeking an order staying the Chicago action pending adjudication of the Gawron patent license issues in the Cleveland action.

On the morning of February 29, 1972, Judge Hoffman, ruling orally,[3] denied the respondent's motion to stay the Chicago action and set that cause for trial on March 27, 1972. In denying the respondent's motion for a stay, Judge Hoffman cited authorities in support of the established proposition that a suit involving additional parties

[3] The transcript of these proceedings before Judge Hoffman is reproduced in the appendix to this petition, commencing at 6a.

and/or issues should not be stayed because of the pendency of another suit involving some but not all of the issues or parties.

On the afternoon of the same day, *i.e.*, February 29, 1972, an order (the February 29 order, 4a, *infra*) was entered in the Cleveland action enjoining the petitioner, during the pendency of that action, from proceeding in the Chicago action. The February 29 order was entered without giving the petitioner an opportunity for a hearing.[4] Before taking this drastic action, a hearing clearly should have been held since the record on which the order of injunction is based contains only arguments of counsel and conflicting affidavits of petitioner and respondent.

The February 29 order contains findings which are totally unsupported by the record and which are clearly erroneous—several of these findings are diametrically opposed to the findings made by Judge Hoffman in denying the respondent's motion to stay the Chicago action.

For example, the February 29 order states that the issues in the two suits are essentially the same—this utterly disregards the existence of the direct infringement issues present in the Chicago action but not in the Cleveland action. Further, the February 29 order finds that the respondent is in essence the real party in interest in the Chicago action—this finding is supported by nothing more than the bare allegations of the respondent that it is an indemnitor of Rockwell and Wen. This order also finds that vast savings of judicial time and effort will result by enjoining the Chicago action. Such a finding ignores completely the existence of Rockwell and Wen, parties to the Chicago action but not the Cleveland action, and the

---

[4] The respondent had asked for such a hearing in its motion papers (AS 5).

existence of the direct and contributory infringement issues, present in the Chicago action but not in the Cleveland action. Manifestly, quite to the contrary of this finding in the February 29 order, duplicative litigation will result, wasting judicial time and effort, as only in the Chicago action can a judgment be entered binding all parties and deciding all issues under the Gawron patent.

The Sixth Circuit Court of Appeals, in the order of April 24, 1972 (1a, *infra*), affirmed the February 29 order. The Court of Appeals did not come to grips with the issues and in essence adopted the unsupported findings of the District Court that the issues and parties in the two suits are the same. Inexplicably, the April 24 order of the Court of Appeals seems to rest, at least to some degree, on the finding that the respondent had moved to transfer the Chicago action to the Ohio court, that such motion was granted, and later denied. As pointed out in the petition for rehearing, no such motion was made by the respondent and Judge Hoffman never intended to transfer the Chicago action. Indeed no showing was ever made by respondent that the Chicago action against Rockwell and Wen could have been brought in the Ohio court so as to invoke the provisions of the United States Code, Title 28, §1404(a).

REASONS FOR GRANTING THE WRIT

I. This Court Should Make It Clear That Needless Duplicative Patent Litigation Is To Be Avoided as a Matter of Federal Patent Policy.

There is a strong probability that the Chicago action will have to be tried irrespective of the outcome of the Cleveland action. An injunction against Rockwell and Wen cannot be obtained in the Cleveland action as these companies are not parties there; for the same reason, damages cannot be assessed in the Cleveland action against these two parties, the direct infringers.

Even if petitioner failed to prevail in the Cleveland action due to an adverse finding on the issue of validity, it does not necessarily follow that petitioner would be foreclosed in the Chicago action, notwithstanding this Court's decision in *Blonder-Tongue* v. *University of Illinois Foundation,* 402 U.S. 313 (1971), since the Gawron patent has been held valid in the Seventh Circuit where Rockwell and Wen are defendants. Further, and by way of example, a finding in the Cleveland action that the respondent's devices are capable of substantial noninfringing use would not foreclose petitioner from establishing direct infringement of the patent by Rockwell and Wen in the Chicago action.

Manifestly, there is a substantial likelihood of duplicative litigation under the Gawron patent in the Sixth and Seventh Circuits as a result of the rulings below. Therefore, this petition raises a question of importance to the conduct of multiple patent litigation in the federal judicial system—it was for this reason that this Court granted certiorari in *Kerotest Mfg Co.* v. *C-O-Two Fire Equipment Co.,* 342 U.S. 180 (1952), and affirmed the Third Circuit

holding that the litigation should be fought in the forum where all parties and issues were present.

The economic considerations of multiple patent litigation, as concerns both the burden on the federal judiciary and the cost to the parties involved, weighed heavily on this Court in *Blonder-Tongue, supra.* These same economic considerations are present here but have been disregarded by the courts below. This Court should grant the writ and make it clear that a paramount objective of federal patent policy is the utilization of applicable statutes and rules in a manner calculated to avoid needless duplicative litigation.

II. This Court's Power of Supervision Should Be Exercised—the Sixth Circuit Has Sanctioned a Course of Judicial Procedure in Conflict with Decisions in Other Circuits.

The Sixth Circuit has sanctioned a gross abuse of discretion by affirming the February 29 order enjoining petitioner from proceeding in the Chicago action. The Chicago action is not a so-called "customer suit", *i.e.*, a suit against only the reseller of the accused product. Even in such customer suits, it has long been held that a patent owner has a cause of action, separate and independent from that against an infringing manufacturer, to recover damages from and to restrain one who resells a product which he purchased from the infringing manufacturer. *American Chemical Paint Co.* v. *Thomson Chemical Corp.*, 244 F.2d 64 (C.A. 9, 1957); *Triangle Conduit & Cable Co.* v. *National Electric Products Corp.*, 138 F.2d 46 (C.A. 3, 1943), *cert. denied* 320 U.S. 784. However, in the present case, the Chicago action is not a "customer suit" as Rockwell and Wen are not mere resellers of the respondent's switch devices; rather, they are the manufacturers—the

direct infringers—of the power drills which include, among other components, the respondent's switch units.

Although the various factors to be taken into consideration in determining when one patent suit should be enjoined in favor of another suit involving the same patent does not admit the articulation of rigid rules for mechanical application, the Courts of Appeals which have had to deal with these situations have set forth the general rule that a suit involving additional parties and/or issues should not be stayed because of the pendency of another suit involving some but not all of the issues or parties. For decisions in the Second, Third, Seventh and Ninth Circuits, see, respectively: *United States Time Corp.* v. *Hamilton Watch Co.*, 327 F.2d 338 (C.A. 2, 1964); *Triangle Conduit & Cable Co.* v. *National Electric Products Corp., supra; Minnesota Mining & Mfg. Co.* v. *Polychrome Corp.*, 267 F.2d 772 (C.A. 7, 1959); *American Chemical Paint Co.* v. *Thomson Chemical Corp., supra.*

In the present case, the injustice to petitioner is especially great since no showing has been made by the respondent that it is financially able to compensate the petitioner for damages from the direct infringements. In this regard, see, *American Chemical Paint Co.* v. *Thomson Chemical Corp., supra.* Moreover, no showing has been made that the infringing acts of the respondent in manufacturing and selling the switch units are conterminous with the infringing acts of Rockwell and Wen, the manufacturers and sellers of the portable electric drills which include the respondent's switch units among their several components. *Rockwell and Wen could obtain the switch devices from sources other than respondent or manufacture these devices themselves.* Manifestly, the petitioner can be assured of bringing about a cessation of the in-

fringement and of recovering full damages only by an injunction and judgment against the manufacturers, *viz.*, Rockwell and Wen.

III. This Court Should Settle the Question as to the Extent a Contributory Infringer Is Liable for Damages.

The opinion of the Sixth Circuit, in affirming the February 29 order, decides, *sub silentio,* that petitioner can obtain complete relief in the Cleveland action, as far as the issue of patent infringement damages is concerned. Such issue of damages for infringement is not present in the Cleveland action as the complaint therein seeks to recover royalties under the Gawron patent license. However, even assuming, *arguendo,* that the complaint in that action could be amended to allege contributory infringement for the period subsequent to license cancellation, we believe a substantial question is presented as to whether petitioner could obtain complete relief against the respondent in the light of this Court's observations in *Aro Mfg. Co.* v. *Convertible Top Replacement Co.,* 377 U.S. 476 (1964).

In *Aro, supra,* (*Aro II*), this Court reviewed the legislative history which eventuated into §§271(c) and 284 of the Patent Act, Title 35, United States Code. As concerns 35 U.S.C. §284, this Court stated that only damages are recoverable, *i.e.,* what the owner of the patent loses by the infringement.

In *Aro II,* this Court stated that, at best, Convertible Top Replacement could not recover from Aro anything more than nominal damages. In that decision, the acts of Aro were not of the character contemplated by 35 U.S.C. §271(c) as they were held in *Aro I,* 365 U.S. 336 (1961), to constitute only repair. Further, the extent of Aro's

liability depended on the question of whether full satisfaction had been received in the agreement with Ford.

Here, the respondent's activities are not in the nature of repair; the respondent's acts in manufacturing the switch units for incorporation in portable electric drills are of the character described in 35 U.S.C. §271(c). Here, petitioner has of course received no satisfaction whatsoever from the direct infringers, Rockwell and Wen.

This Court noted, in *Aro II*, that §271(c) had been enacted by the Congress "to provide for the protection of patent rights where enforcement against direct infringers is impractical". 377 U.S. 511. In the case at bar, Rockwell and Wen, the direct infringers, are not only available but are presently defendants in the Chicago action. However, petitioner is being compelled, at least in the first instance, to proceed against the contributory infringer only.

The reasoning of this Court in ascertaining the measure of Aro's liability raises the question, not yet decided by this Court, as to whether a patentee is entitled to receive from a contributory infringer full satisfaction for damages in the more common situation, such as presented here, where the contributory infringer's acts are as described in 35 U.S.C. §271(c) and where no compensation whatsoever has been received by the patentee. In this regard, 35 U.S.C. §284 provides:

> ". . . damages adequate to compensate for *infringement* but in no event less than a reasonable royalty for the use made of the invention by the *infringer*. . ." (Emphasis applied).

This section of the Patent Act is silent as to the compensation for damages to which the patentee is entitled to recover from the *contributory* infringer.

This Court should issue the writ and decide to what extent damages may be recovered from a contributory infringer and, in the event it is found a contributory infringer is not answerable for damages to the extent of compensating fully for the direct infringement, the subsidiary question as to whether or not a contributory infringer has sufficient standing to cause the issuance of an order enjoining a suit against the direct infringer.

CONCLUSION

This Court should issue the writ of certiorari and set aside the order here under review, not alone to correct the injustice worked on the petitioner, but for the public good that would result from deciding the important questions presented concerning the conduct of multiple patent litigation in the federal courts and concerning the extent of damages for which a contributory infringer is accountable.

Respectfully submitted,

CLARENCE J. FLEMING
135 South LaSalle Street
Chicago, Illinois 60603
Tel.: (312) 346-0338
Attorney for Petitioner

Of Counsel:

MARC L. SWARTZBAUGH
1750 Union Commerce Building
Cleveland, Ohio 44115
Tel: (216) 696-3939

CHARLES M. CARTER
Chicago, Illinois 60630
5033 North Elston Avenue
Tel.: (312) 286-2000

APPENDIX

Opinion of the Court of Appeals

NO. 72-1282

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

SKIL CORPORATION,
Plaintiff-Appellant,
v.
LUCERNE PRODUCTS, INC.,
Defendant-Appellee.
} ORDER

(Filed April 24, 1972)

Before: Phillips, Chief Judge, Peck and Kent, Circuit Judges.

This appeal arises out of complex and protracted litigation involving the validity and infringement of certain patents applicable to certain variable-speed switches.

Three cases are pending in the Northern District of Ohio, one of which had been previously transferred to that District from the Northern District of Illinois. While those cases were pending plaintiff-appellant filed another action in the Northern District of Illinois involving the validity and infringement of one of the patents involved in the litigation in the Northern District of Ohio. The defendant-appellee, pursuant to an indemnity agreement, with the defendants in the Illinois litigation, took over the defense of that case. Defendant-appellee moved to transfer the Illinois litigation to the Northern District of Ohio, which motion was first granted and later, without any stated reason, denied.

On February 29, 1972, the pending case in the Northern District of Illinois was set for trial, to commence March 27, 1972, and on the same day the District Judge in the Northern District of Ohio, pursuant to an earlier application, entered a temporary injunction restraining the plaintiff-appellant from continuing to prosecute the case then pending in the Northern District of Illinois. This temporary injunction is the subject of this appeal.

Plaintiff-appellant claims that the trial judge abused his discretion in granting the pending application for a temporary injunction without affording the plaintiff-appellant an opportunity for a trial. Rule 65 (a)(1), Federal Rules of Civil Procedure, provides: "No preliminary injunction shall be issued without notice to the adverse party." There is no claim in this case that notice had not been given; in fact the application for a temporary injunction had been on file for some months, and the parties had filed affidavits and briefs in support of and in opposition to the application.

After a complete review of the record on appeal it appears to the satisfaction of this Court that the trial judge did not abuse his discretion in granting an injunction to restrain the further prosecution of litigation in the Northern District of Illinois which had been commenced much later than the litigation then pending in the Northern District of Ohio, which litigation involved different parties at its initial stages, but placed in issue the validity and infringement of some of the same patents then the subject of litigation in the Northern District of Ohio.

Finding no abuse of discretion, It Is Ordered that the order of the District Court granting the temporary injunction is affirmed.

Entered By Order Of The Court
/s/ James A. Higgins
Clerk

Order of the Court of Appeals in This Case Denying Petition for Rehearing

NO. 72-1282

UNITED STATES COURT OF APPEALS

FOR THE SIXTH CIRCUIT

SKIL CORPORATION,
Plaintiff-Appellant,
v.
LUCERNE PRODUCTS, INC.,
Defendant-Appellee.

ORDER

(Filed June 6, 1972)

Before: Phillips, Chief Judge, Peck and Kent, Circuit Judges.

Appellant having filed a petition for rehearing with this Court, and the Court having considered the petition and being duly advised in the premises,

It Is Ordered that the petition for rehearing be and it is hereby denied.

Entered By Order Of The Court
/s/ James A. Higgins
Clerk

Opinion of the District Court

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

SKIL CORPORATION, Plaintiff,
v.
LUCERNE PRODUCTS, INC., Defendant.

No. C 69-461
ORDER

(Filed February 29, 1972)

Lambros, District Judge

In this case, the defendant Lucerne Products, Inc. ("Lucerne") has applied to the Court to enjoin the plaintiff Skil Corporation ("Skil") from proceeding with any action heretofore filed in which Lucerne is a party, other than the instant action, with respect to any of the issues relating to the following matters as raised in this lawsuit:

1. Patent No. 3,209,228 issued to Alex F. Gawron
2. Patent No. 3,260,827 issued to Carl J. Frenzel
3. Licenses granted by Skil to Lucerne under the foregoing patents dated November 15, 1965 and April 11, 1967 respectively.

The other action which Lucerne in essence seeks to enjoin Skil from proceeding is presently pending in the Northern District of Illinois, namely, *Skil Corporation* v. *Rockwell Manufacturing Company and Wen Products, Inc.* v. *Lucerne Products, Inc.*, Civil Action 70C2858. The issues raised there are essentially the same as those raised in the instant lawsuit. Further, Lucerne is in essence the real party in interest in that suit. The law is clear that in such a situation wherein the issues are essentially the same as well as the parties, the Court first acquiring jurisdiction should be allowed to proceed with it without inter-

ference from other courts under suits subsequently filed. See *Carbide & Carbon Chemical Corp.* v. *United States Industrial Chemicals, Inc.*, 140 F.2d 47, 49 (4th Cir. 1944); *Milwaukee Gas Specialty Co.* v. *Mercoid Corp.*, 104 F.2d 589, 592 (7th Cir. 1939); *In re Georgia Power Co.*, 89 F.2d 218, 221 (5th Cir. 1937).

Since this Court was the first one to acquire jurisdiction over the issues, inasmuch as its jurisdiction will be seriously impeded and interfered with if the other action is permitted to proceed, since irreparable injury will result to Lucerne by forcing it to engage in multiple discovery proceedings simultaneously, inasmuch as Skil will not be injured by the granting of the injunction and since the granting of the injunction will result in the vast savings of judicial time and effort, the Court grants Lucerne's request for injunctive relief.

Accordingly, it is directed that during the pendency of this action, Skil, its officers, agents, employees, attorney or any other persons acting on its behalf are hereby restrained from proceeding with any action heretofore filed in which Lucerne is a party, other than the instant action, with respect to any of the issues based upon alleged infringement of the following letters patent and the licenses specified in the Complaint and Supplemental Complaint herein, namely:

Patent No. 3,209,228 issued to Alex F. Gawron

Patent No. 3,260,827 issued to Carl J. Frenzel

Licenses granted by Skil to Lucerne under the foregoing patents dated November 15, 1965 and April 11, 1967 respectively.

As security, Lucerne shall post a $500.00 bond with the Clerk of Courts.

It Is So Ordered.

/s/ Thomas D. Lambros
Thomas D. Lambros
United States District Judge

Dated: February 29, 1972

Transcript of Proceedings before Hon. Julius J. Hoffman on February 29, 1972

1 IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SKIL CORPORATION, Plaintiff,
vs.
ROCKWELL MANUFACTURING COMPANY, and WEN PRODUCTS, INC., Defendants.
vs.
LUCERNE PRODUCTS, INC., Intervenor-Defendant.

Civil Action No. 70 C 2858

Transcript of proceedings had in the above-entitled cause before Hon. Julius J. Hoffman, one of the Judges of said Court, in his courtroom in the United States Courthouse at Chicago, Illinois, on Tuesday, February 29, 1972.

Appearances:

Clarence J. Fleming
(McDougall, Hersh & Scott)
for the plaintiff;

James Van Santen
(Hill, Sherman, Meroni, Gross & Simpson)
for the Intervenor-Defendant.

2 The Clerk: 70 C 2858, Skil Corporation vs. Rockwell Manufacturing Company, et al. Decision on motion of intervenor-defendant to stay further proceedings in this case pending the outcome of Civil Action C-69-461 in the District Court of Ohio.

The Court: Good morning, gentlemen.

Mr. Fleming: Good morning, your Honor.

Mr. Van Santen: Good morning, your Honor.

The Court: I am sorry that you had to wait here so long.

It appears here that the Lucerne Products, Incorporated, a defendant, is seeking to have stayed further proceedings in this case which was filed in 1970 pending the outcome of a civil action, C-69-461, filed originally in 1968, and now pending in the Federal District Court of Ohio, Cleveland, I guess. I remember getting this telephone call from Judge Lambros of that Court to which I referred at the last hearing.

Lucerne takes the position that this case can be defined as a so-called "customer suit" brought by Skil Corporation against Lucerne's customers, Wen Products and Rockwell, two years after the initial suit against Lucerne had been filed.

The plaintiff takes the position that this court is
3 without the authority to stay these proceedings because all of the parties in the present case are not involved in the litigation in the United States District Court in Cleveland, nor are the issues involved in that case precisely the same as those present in the case which we are here considering.

In the case of Coleco Industries, Incorporated, vs. Empire Plastics Corporation, 321 Fed. Supp. 146, 1970, the United States District Court for the Southern District of New York stated at Page 147:

> "The motion for a stay is clearly warranted because the disposition of the consolidated suit in that case will clearly resolve all of the questions presented by the later-filed customer suit."

In the case with which we are here concerned, the disposition of the prior suit, I conclude, will not resolve all of the issues in the later-filed case, and all of the parties in both cases are not the same.

Our Court of Appeals, that is to say, the United States Court of Appeals for this Circuit, determined in the case of Minnesota Mining and Manufacturing Company vs. Polychrome Corporation, 267 F. 2d, 772, 7th Circuit, 1959, that the trial court did not abuse its discretion in

denying a motion by the defendant for an injunction restraining the patentee from the prosecution of suits against users and customers.

The trial court in the Minnesota Mining case relied on the case of American Chemical Paint Company vs. Thompson Chemical Corporation, 244 F. 2d 64, 9th Circuit 1957, citing at Page 67 of that case this language:

> "A patent owner has a cause of action separate and independent from that against an infringing manufacturer to recover profits and damages and to restrain one who resells a product which he purchased from an infringing manufacturer. The right to bring such an action is sanctioned by statute, and ought not to be interfered with except for compelling reasons."

See also Crosley Corporation vs. Hazeltine Corporation, 122 F. 2d 925, 3rd Circuit 1941.

Judge Hastings in the Minnesota Mining case asserted perhaps the best reason for not issuing such an injunction at Page 775. Said Judge Hastings:

> "I think we might just as well proceed in this case, get the case at issue, and in the meantime, if Judge Sullivan does grant a restraining order that is asked up there, why then that will automatically stay this case. If he doesn't, then I feel we should be in shape to go right ahead and try this case when it comes up in its usual order."

For additional authority in support of the rule that a suit involving additional parties and/or issues should not be stayed because of the pendency of another suit involving some but not all of the issues or parties, I suggest that counsel look at United States Time Corporation vs. Hamilton Watch Company, 327 F. 2d 338, 2nd Circuit 1964; Gordon Johnson Company vs. Hunt, 101 Fed. Supp. 539, Northern District of Ohio 1951. See also Joseph Bancroft & Sons Company vs. Spunize Company of America, 268 F. 2d 522, 2nd Circuit 1959.

Mr. Clerk, the motion of the intervenor-defendant, Lucerne Products Corporation, to stay further proceedings in this case will be denied.

This case was called for trial on the calendar. I now will hear from both of you as to a convenient date for trial. Since you started this case, Mr. Fleming, I will let you suggest a date first.

Mr. Fleming: Yes, sir. We, of course, are anxious
6 to go to trial as soon as possible.

Your Honor, I must mention this. You will recall we were in here last week on a Rule 37 motion. The defendants objected to some of our interrogatories and also to the production of documents.

The Court: In other words, you have a discovery problem.

Mr. Fleming: Yes, your Honor.

My calculations are that you granted 15 days to produce the documents, which would take us up to March 10, so that I would then like some time. Some of these documents, I, of course, would want to look at and it may very well be that I will wish to introduce them during the trial.

The Court: Well, you suggest a date. I am at the service of the parties here.

Mr. Fleming: That would be March 10. I would suggest about 10 days thereafter.

The Court: March 20 would be a Monday.

Have you any comment, sir? I know what you want. I regret that I am unable to comply.

Mr. Van Santen: If the Court please, I am aware of your Honor's practice in trying to move cases along in accordance with the admonition of the Chief Justice.
7 The Court: That is not a bad practice.

Mr. Van Santen: I have urged principal counsel in Cleveland that they should be prepared for this decision, and they should move ahead promptly with discovery. Accordingly, there are notices of discovery outstanding now, and depositions on behalf of the defendants are scheduled to begin on March 22.

The Court: I might say, and you must know this from your practice here, all of the men in your fine firm know, that this is a 1970 case. I am never very much impressed

with the fact discovery has not been completed, certainly, as a reason for not trying a case.

I have never that I can recall in the nearly twenty years I have served on this bench entered an order restraining further discovery, but I have said often from this bench and in the old Courthouse, "Get going." The rules are there. You can't wait until this case is called for trial, you know, and you can't wait until trial time and then talk about depositions or interrogatories.

I will set this case for March 27. That is one week after you asked.

Mr. Fleming: That is the 27th?

The Court: March 27, at ten o'clock, for trial.

8 IN THE UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

SKIL CORPORATION,
Plaintiff,
vs.
ROCKWELL MANUFACTURING COMPANY, and
WEN PRODUCTS, INC.,
Defendants.
vs.
LUCERNE PRODUCTS, INC.,
Intervenor-Defendant.

Civil Action
No. 70 C 2858

CERTIFICATE

I hereby certify that the foregoing 7 pages constitute a full, true and correct transcript of my original shorthand notes taken of the proceedings had in the above-entitled cause before Hon. Julius J. Hoffman, one of the Judges of said Court, on February 29, 1972.

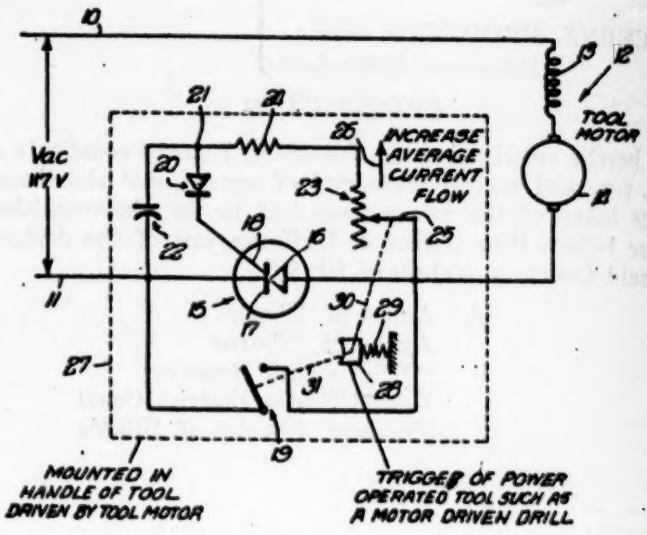
/s/ Agnes M. Thorne
Agnes M. Thorne
Official Court Reporter
United States District Court
Northern District of Illinois

Gawron Patent in Suit No. 3,209,228

Sept. 28, 1965 A. F. GAWRON 3,209,228

SYSTEM FOR CONTROLLING ELECTRIC MOTORS IN POWER TOOLS AND THE LIKE

Filed Sept. 28, 1962



INVENTOR.
Alex F. Gawron.
BY
Cromwell, Greist & Warden
ATTYS

United States Patent Office 3,209,228 Patented Sept. 28, 1965

3,209,228

SYSTEM FOR CONTROLLING ELECTRIC MOTORS IN POWER TOOLS AND THE LIKE

Alex P. Gawron, Chicago, Ill., assignor to Ball Corporation, Chicago, Ill., a corporation of Delaware

Filed Sept. 28, 1962, Ser. No. 226,936
4 Claims. (Cl. 318—345)

This invention relates, generally, to electric motor control systems and it has particular relation to the control of the voltage and current applied to, and thereby the speed of, such well known electric motor driven tools, as a universal motor driven hand drill, reciprocating saw, sander, or the like. For example, Papworth Patent 2,931,402 dated April 5, 1960, discloses a reciprocating saw in which the invention can be incorporated.

Among the objects of this invention are: To provide for controlling the flow of current from an alternating current source to a load device, such as a universal motor in a hand manipulated drill or other tool of the class described, in a new and improved manner; to employ for this purpose a silicon controlled rectifier in series with the motor; to provide a capacitor for triggering the silicon controlled rectifier at a predetermined time in a half cycle of alternating current that it is adapted to conduct by varying the time rate at which voltage is applied to the capacitor in the half cycle; to vary the time rate by a variable resistor or potentiometer connected in series with the capacitor with the series combination being connected across the silicon controlled rectifier; to mount the motor and control devices in series therewith on the handle of a power driven tool; to provide a trigger on the handle connected to the variable resistor for varying the resistance in series with the capacitor; to provide a switch for shunting the silicon controlled rectifier; and to mount the switch on the handle and interconnect it and the variable resistor with the trigger in such manner that the switch is closed when the resistance in series with the capacitor has been reduced to a predetermined value.

In the drawing the single figure illustrates, diagrammatically, a preferred embodiment of this invention.

In the diagram of circuit connections the reference characters 10 and 11 designate conductors that are energized from a suitable source of alternating current operating at a frequency of 60 cycles and at a voltage of 117 volts. The frequency and voltage here mentioned are conventional and typical of the alternating current source that can be employed for energizing the system embodying the present invention. Connected for energization between the conductors 10 and 11 is a load device, indicated generally at 12, that is in the form of a universal or series type motor. The motor 12 includes a series field winding 13 and an armature winding 14, these windings being connected in series in accordance with conventional practice.

In order to control the flow of current to the load device 12 and the voltage applied thereto a silicon controlled rectifier, indicated generally at 15, is connected in series circuit relation with the load device 12. The silicon controlled rectifier 15 includes an anode 16, a cathode 17 and a gate or control electrode 18. It will be understood that the silicon controlled rectifier 15 acts to conduct half cycles of alternating current of one polarity and to block the flow of the half cycles of the alternating current of opposite polarity. When it is desired to apply both half cycles of alternating current at the voltage existing between the conductors 10 and 11 to the load device 12, a switch, shown generally at 19, can be closed. It will be observed that the switch 19 is connected in shunt with the silicon controlled rectifier 15 and that, when it is closed, the load device 12 is energized directly from the conductors 10 and 11 without the interposition of the silicon controlled rectifier 15.

In order to cause the silicon controlled rectifier 15 to become conducting in the half cycle of the alternating current that it is adapted or forward biased to conduct a control or trigger diode 20 is connected to the gate or control electrode 18. The control or trigger diode 20 is interposed between the gate or control electrode 18 and a common connection 21 between a capacitor 22, which is connected to the cathode 17 of the silicon controlled rectifier 15, and a variable resistor or potentiometer 23 that is connected to the anode 16 of the silicon controlled rectifier 15. A limiting resistor 24 can be provided between the common connection 21 and the variable resistor or potentiometer 23 to make certain that the voltage in this portion of the circuit is maintained above a predetermined minimum voltage.

The variable resistor or potentiometer 23 has an adjustable contact 25 that is movable to vary the resistance in series with the capacitor 22 for the purpose of varying the time rate voltage build up on the capacitor 22 in the half cycle during which the silicon controlled rectifier 15 is adapted to conduct a half cycle of the alternating current. When the adjustable contact 25 is moved in the direction indicated by the arrow 26, the voltage applied to the capacitor 22 is increased with the result that the silicon controlled rectifier 15 is rendered conducting at an earlier point in the half cycle of alternating current that it is adapted to conduct with the result that the voltage and current applied to the load device 12 are correspondingly increased. When the adjustable contact 25 is moved in the opposite direction there is a corresponding reduction in the voltage and current applied to the load device 12. Since only a relatively small amount of current flow takes place through the variable resistor or potentiometer 23 and since the voltage drop across the silicon controlled rectifier 15 is relatively small, the amount of heat generated is correspondingly small. As a result the control devices associated with the silicon controlled rectifier 15 and the silicon controlled rectifier 15 itself can be mounted in a handle or other convenient portion of the tool, indicated by the broken line outline at 27, of the power driven tool with the load device in the form of the universal or series type motor 12 being mounted on the handle in conventional manner. Because of the relatively low heat dissipation of the control circuits, the amount of heat developed is relatively small and not uncomfortable to the hand of the operator grasping the handle. If heating is apt to be a problem, the circuits may be mounted in the cooling jet stream of the motor housing.

It is desirable that the resistance of the variable resistor or potentiometer 23 be variable under the control of the operator. For this purpose a trigger 28 is employed and it is slidably mounted on the handle in accordance with conventional practice. A spring 29 serves to bias the trigger 28 to the non operated position against a stop (not shown). A mechanical connection, indicated by broken line 30, interconnects the trigger 28 with the adjustable contact 25 with the arrangement being such that as the trigger 28 is depressed against the spring 29, the adjustable contact 25 is moved in the direction indicated by the arrow 26 to reduce the resistance in the circuit including the capacitor 22 for the purpose of obtaining an increase in the voltage and current applied to the load device 12 in the manner outlined above. A mechanical connection, indicated by the broken line 31, serves to interconnect the trigger 28 and the switch 19 with the arrangement being such that, when maximum voltage and current have been applied to the load device 12 by the control of the silicon controlled rectifier 15, further and maximum voltage and current are applied by closure of the switch 19. As pointed out above this places the load

device 12 directly across the line conductors 10 and 11 so that the full system voltage is applied.

As it is apparent to those skilled in the art, the circuit shown and described does not have inherent speed feedback. However, essentially constant speed under varying load conditions can be readily obtained by manipulation of the trigger which is under the operator's control at all times during operation of the tool.

What is claimed as new is:

1. In an electrical control system, the combination with an electric motor having series connected armature and field windings, which motor is mounted in a tool housing having a handle portion, of a silicon controlled rectifier in series circuit relation with said motor and the series combination arranged and adapted for energization from an alternating current source; said rectifier including an anode, a cathode and a gate; a series connected variable resistor and capacitor connected respectively to said anode and cathode, a connection interconnecting said gate and the common connection between said resistor and said capacitor, variation in the resistance of said resistor in series with said capacitor effecting a corresponding change in the voltage and current applied to said motor, said devices connected in series with said motor being mounted in said handle portion, and a trigger on said portion connected to said variable resistor for changing the resistance in series with said capacitor, manipulation of said trigger serving as the sole means for controlling the speed of said motor.

2. In an electrical control system, the combination with an electric motor having series connected armature and field windings, which motor is mounted in a tool housing having a handle portion, of a silicon controlled rectifier in series circuit relation with said motor and the series combination arranged and adapted for energization from an alternating current source; said rectifier including an anode, a cathode and a gate: a series connected variable resistor and capacitor connected respectively to said anode and cathode, a connection interconnecting said gate and the common connection between said resistor and said capacitor, variation in the resistance of said resistor in series with said capacitor effecting a corresponding change in the voltage and current applied to said motor, a switch connected in shunt circuit relation with said silicon controlled rectifier and when closed causing said motor to be energized directly from said current source, said devices connected in series with said motor and said switch being mounted in said handle portion, and a trigger on said handle portion connected to said variable resistor for changing the resistance in series with said capacitor and to said switch for closing it when said resistance has been reduced a predetermined extent, said variable resistor in series with said capacitor constituting the sole means for changing the voltage and current applied to said motor.

3. In combination, a hand manipulated power tool having a housing with a handle portion, wherein the tool includes an electric motor with series connected armature and field windings, an electrical control system for said motor, which control system is mounted in said housing and includes, a silicon controlled rectifier control circuit in series circuit relation with said motor and arranged and adapted for energization from an alternating current souce, said circuit including a variable resistor for varying the voltage and current applied to said motor thereby to control the speed thereof, a trigger supported on said handle portion, said trigger being mechanically connected to the movable element of said resistor for operation of the latter upon actuation of the trigger, whereby said control system is actuated by said trigger for controlling the speed of said motor, variation in the voltage and current applied to said motor being accomplished solely through operation of said variable resistor by said trigger.

4. In combination, a hand manipulated power drill including a housing having a hollow handle, wherein the drill includes an electric motor with series connected armature and field windings, an electrical control system mounted in said hollow handle and including, a silicon controlled rectifier control circuit in series circuit relation with said motor and arranged and adapted for energization from an alternating current source, said circuit including a variable resistor for varying the voltage and current applied to said motor thereby to control the speed thereof, a trigger supported on said handle, said trigger being mechanically connected to the movable element of said resistor so that as the trigger is depressed the resistance of said resistor is reduced thereby to increase the speed of said motor, variation in the voltage and current applied to said motor being accomplished solely through operation of said variable resistor by said trigger.

References Cited by the Examiner

UNITED STATES PATENTS

2,419,431	4/47	Williams	318—212 X
3,103,618	9/63	Slater	318

FOREIGN PATENTS

242,179	12/62	Australia.

OTHER REFERENCES

Publication: Gutzwiller, G.E. Application Note 200.4, 6/61, Universal Motor Speed Controls, June 1961.

ORIS L. RADER, *Primary Examiner.*